HOUSING NOW

Charlottetown CA

Canada Mortgage and Housing Corporation

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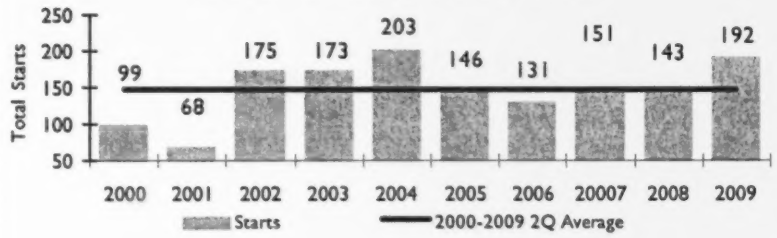
Multiple Starts Activity Remains Strong in Charlottetown City

For the first six months of 2009, the Charlottetown area experienced an increased level of housing construction. This is in contrast to most other urban centres in Canada which have recorded declines in 2009. The continued strong demand for all housing types, in the Charlottetown area has been driven by low interest rates, strong employment growth, positive migration, low vacancy rates and relatively low home prices. While some of these factors are starting to have a reduced impact, in particular relatively low home prices, the surge in multiple starts during the first two quarters has pushed the housing market above the 2008 levels over the same period.

Figure 1

Charlottetown Starts Increased in the Second Quarter

SecondQuarter Housing Starts 2000 - 2009



Source: CMHC

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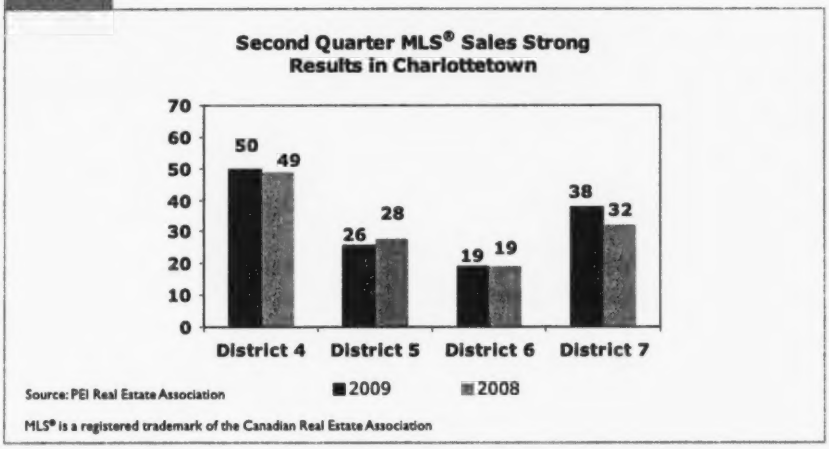
HOME TO CANADIANS

On a provincial level, total housing starts increased by a modest 6.2 per cent in the second quarter, to 256 units compared to 241 units in 2008. Single starts however, posted a decline, falling 29 per cent to 119 units this year from 169 units in the second quarter of 2008. This decline however was more than offset by the increase in multiple starts. Total multiple starts increased by an impressive 90 per cent in the second quarter, with 137 units started compared to 72 units in 2008. This increase was solely the result of more apartment starts in the Charlottetown area. On a year-to-date basis, total starts are on par with 2008 as 300 units have been recorded this year compared to 306 units a year ago.

After a slow start in 2009, the Charlottetown area posted a strong second quarter with 192 units, up from 143 during the same period last year. Apartment starts, driven by an aging population and strong international immigration, reached 86 units in the second quarter, a four fold increase from the 2008 level. Row units, which are entirely for homeownership, also posted an increase in the April to June period, advancing to 17 units from 12 last year. Single starts could not match the pace set by multiple starts as they declined to 90 units from 114 units during the same period in 2008. Semi-detached units also declined in the second quarter, dipping to 16 units from 20 units in 2008.

On a year-to-date basis, total housing starts in 2009 for Charlottetown area advanced 16 per cent to 212 units, supported by apartment starts.

Figure 2



The largest decline by unit type came from single starts, which declined by 24 units in the first half to 90 units. This decline was not localized to any one area of the city as all of the submarkets recorded fewer new units. Apartments recorded a strong showing, with 89 units started, up from 34 units last year.

In the second quarter of 2009, all of the submarkets in the Charlottetown CA recorded an increase or matched the previous years' levels for total starts. The Town of Stratford posted the largest increase in the second quarter, as total starts jumped to 70 units this year up from 29 units in 2008, again due to apartment starts. The Town of Cornwall and the area encompassing the rest of the CA also posted impressive increases of 26.7 and 33.3 per cent respectively. These positive results were due to an increased volume of semi and row starts in Cornwall, while strong single starts helped the outlying areas outpace the level set in 2008. In Charlottetown City proper, where the majority of the new construction occurs, 87 new units were recorded in the second quarter of both 2008 and 2009. Single-detached starts did not fare well in the second quarter as only 23 units were started which was down from 38 units in the same period last year. Multiple starts offset the decline in singles though as 64 new units were initated in the second quarter, up from 49 units in 2008.

New Home Prices Continue to Rise

The cost of a new home in the Charlottetown area continued to rise in the first half of 2009. While some of this increase was due to rising land, labour and material costs, it does not fully explain the significant price increases seen since 2002. What has really been the driving force behind these increases are households choosing to build larger, more elaborate homes. For the entire capital region the average new home price grew by an impressive ten per cent in the first

half with the average price now topping $227,000. In Charlottetown City proper, the advance matched that set by the region as a whole to $224,396. The increase in Stratford was even more pronounced at almost 35 per cent, resulting in an average price climbing to $298,611.

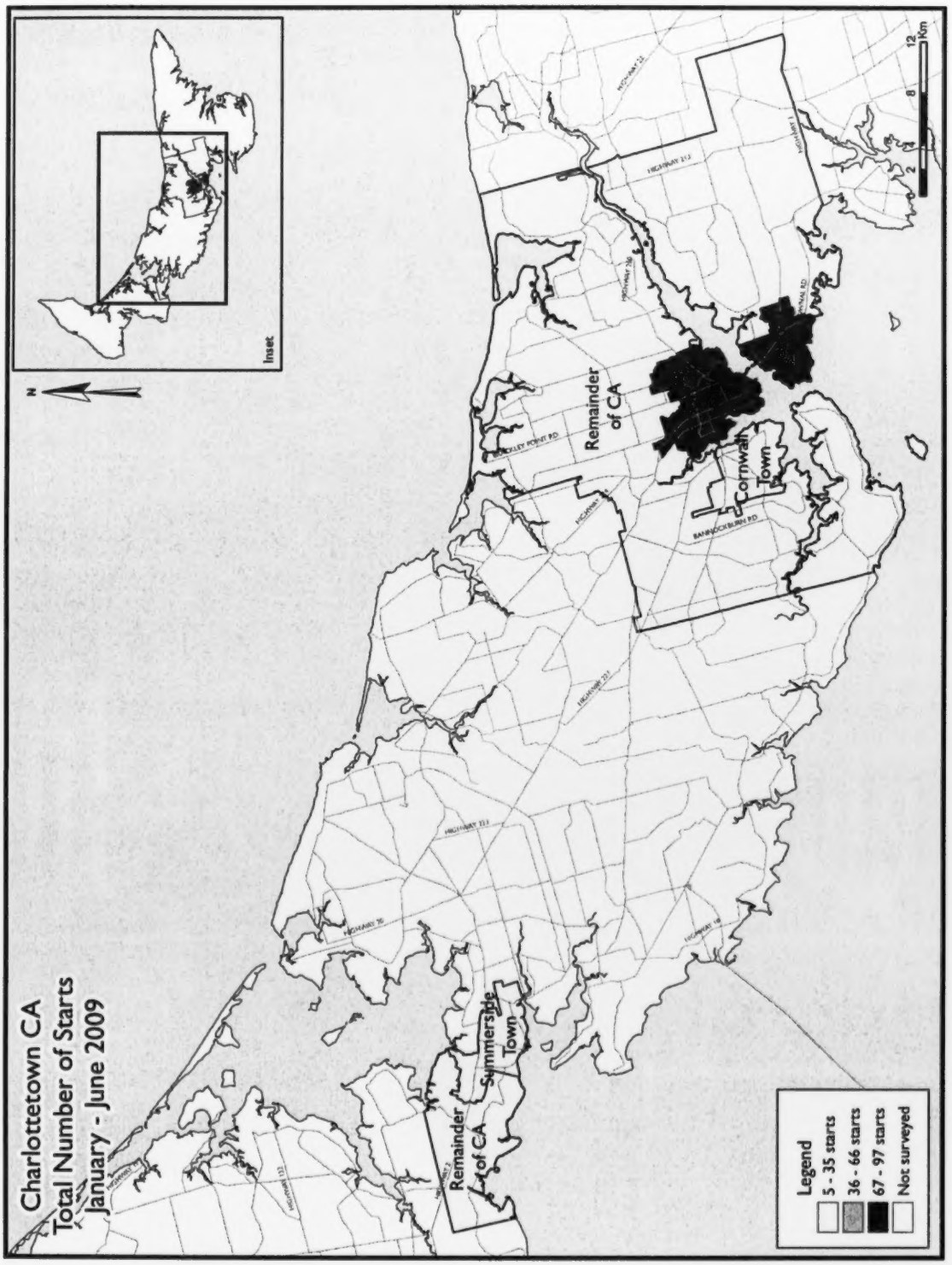
Average MLS® Sale Price Reached a New Record High in the Second Quarter

Solid in-migration and strong employment resulted in the resale market recording a higher level of sales in the second quarter, when compared to last year. The pace of existing home sales in the Charlottetown area advanced by four per cent in the second quarter, compared to the same period last year. It is now clear after the declines in 2008 that the local market peaked in 2007, in terms of unit sales.

Despite the increase in sales, new listings fell sharply during the April to June period of 2009. This was not unexpected though as new listings reached a new record high in 2008. One of the main reasons for the rise in 2008 was homeowners listing their properties in an effort to realize profits from the appreciation in their homes. This surge in listings, however, reduced the sense of urgency by consumers during the past few years, and resulted in a slower level of price growth as well as an increase in days on market.

MLS® sales in the capital region recorded generally favorable results for the second quarter at the submarket level. District 6 posted no gain for the quarter as 19 sales were recorded in both 2009 and 2008. District 5, which is the Cornwall, North River and Winsloe area, posted the only decline for the quarter as sales decreased modestly from 28 units last year to 26 units this year. District 7, which is the Stratford area, posted an impressive gain, as sales jumped almost 20 per cent to 38 units. Charlottetown City, District 4, also posted an increase, as sales rose by two per cent to 50 units.

In addition to the increase in sales activity, the average MLS® sale price continued to rise in the second quarter. The average price of a home in District 7, Stratford, rose by seven percent to $191,287, and as a result remains the most expensive area of the city. Districts 5 and 6 posted the largest gains of the quarter, as the average price in these areas rose by 11 and ten per cent respectively. The only area to post a decline in the second quarter was District 4, Charlottetown City, where the average price fell 11 per cent to $179,453. It is important to note however, that in the first half of 2008, the average price of a home sold in District 4 rose over 26 per cent, due to a surge in century homes being sold.


Charlottetown CA
Total Number of Starts
January - June 2009
Inset
N
Remainder of CA
Summerside Town
Remainder of CA
Cornwall Town
Legend
5 - 35 starts
36 - 66 starts
67 - 97 starts
Not surveyed
2
8
12
Km

HOUSING NOW REPORT TABLES

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4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA Second Quarter 2009									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q2 2009	73	16	11	0	6	0	0	86	192
Q2 2008	90	20	12	0	0	0	0	21	143
% Change	-18.9	-20.0	-8.3	n/a	n/a	n/a	n/a	**	34.3
Year-to-date 2009	90	16	11	0	6	0	0	89	212
Year-to-date 2008	114	22	12	0	0	13	0	21	182
% Change	-21.1	-27.3	-8.3	n/a	n/a	-100.0	n/a	**	16.5
UNDER CONSTRUCTION									
Q2 2009	74	16	8	0	9	0	20	89	216
Q2 2008	94	20	12	0	0	13	0	21	160
% Change	-21.3	-20.0	-33.3	n/a	n/a	-100.0	n/a	**	35.0
COMPLETIONS									
Q2 2009	39	2	0	0	8	0	0	30	79
Q2 2008	36	4	0	0	0	0	0	0	40
% Change	8.3	-50.0	n/a	n/a	n/a	n/a	n/a	n/a	97.5
Year-to-date 2009	87	6	0	0	8	0	0	30	131
Year-to-date 2008	119	12	0	0	0	0	0	11	142
% Change	-26.9	-50.0	n/a	n/a	n/a	n/a	n/a	172.7	-7.7
COMPLETED & NOT ABSORBED									
Q2 2009	2	0	0	0	0	2	0	17	21
Q2 2008	1	0	0	0	0	0	0	17	18
% Change	100.0	n/a	n/a	n/a	n/a	n/a	n/a	0.0	16.7
ABSORBED									
Q2 2009	38	2	0	0	8	0	0	30	78
Q2 2008	36	4	0	0	0	0	0	0	40
% Change	5.6	-50.0	n/a	n/a	n/a	n/a	n/a	n/a	95.0
Year-to-date 2009	86	6	0	0	8	2	0	44	146
Year-to-date 2008	119	12	0	0	0	6	0	21	158
% Change	-27.7	-50.0	n/a	n/a	n/a	-66.7	n/a	109.5	-7.6

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA
Second Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q2 2009	11	0	0	0	0	0	0	0	11
Q2 2008	14	8	0	0	0	0	5	0	27
% Change	-21.4	-100.0	n/a	n/a	n/a	n/a	-100.0	n/a	-59.3
Year-to-date 2009	14	0	0	0	0	0	0	0	14
Year-to-date 2008	16	8	0	0	0	0	5	0	29
% Change	-12.5	-100.0	n/a	n/a	n/a	n/a	-100.0	n/a	-51.7
UNDER CONSTRUCTION									
Q2 2009	15	0	4	0	0	0	0	0	19
Q2 2008	14	8	0	0	0	0	0	11	33
% Change	7.1	-100.0	n/a	n/a	n/a	n/a	n/a	-100.0	-42.4
COMPLETIONS									
Q2 2009	2	0	0	0	0	0	0	0	2
Q2 2008	4	2	4	0	0	0	5	0	15
% Change	-50.0	-100.0	-100.0	n/a	n/a	n/a	-100.0	n/a	-86.7
Year-to-date 2009	7	0	4	0	0	0	0	0	11
Year-to-date 2008	12	12	12	0	0	0	5	0	41
% Change	-41.7	-100.0	-66.7	n/a	n/a	n/a	-100.0	n/a	-73.2
COMPLETED & NOT ABSORBED									
Q2 2009	0	0	0	0	0	0	0	0	0
Q2 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q2 2009	0	0	0	0	0	0	0	0	0
Q2 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2009	0	0	0	0	0	0	0	0	0
Year-to-date 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q2 2009	23	8	0	0	6	0	0	50	87
Q2 2008	38	16	12	0	0	0	0	21	87
Stratford Town									
Q2 2009	26	0	8	0	0	0	0	36	70
Q2 2008	29	0	0	0	0	0	0	0	29
Cornwall Town									
Q2 2009	10	6	3	0	0	0	0	0	19
Q2 2008	11	4	0	0	0	0	0	0	15
Remainder of the CA									
Q2 2009	14	2	0	0	0	0	0	0	16
Q2 2008	12	0	0	0	0	0	0	0	12
Charlottetown CA									
Q2 2009	73	16	11	0	6	0	0	86	192
Q2 2008	90	20	12	0	0	0	0	21	143
UNDER CONSTRUCTION									
Charlottetown City									
Q2 2009	23	8	0	0	6	0	20	53	110
Q2 2008	39	16	12	0	0	13	0	21	101
Stratford Town									
Q2 2009	28	0	5	0	3	0	0	36	72
Q2 2008	33	0	0	0	0	0	0	0	33
Cornwall Town									
Q2 2009	11	6	3	0	0	0	0	0	20
Q2 2008	11	4	0	0	0	0	0	0	15
Remainder of the CA									
Q2 2009	12	2	0	0	0	0	0	0	14
Q2 2008	11	0	0	0	0	0	0	0	11
Charlottetown CA									
Q2 2009	74	16	8	0	9	0	20	89	216
Q2 2008	94	20	12	0	0	13	0	21	160

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q2 2009	13	2	0	0	0	0	0	0	15
Q2 2008	6	2	0	0	0	0	0	0	8
Stratford Town									
Q2 2009	11	0	0	0	4	0	0	30	45
Q2 2008	16	2	0	0	0	0	0	0	18
Cornwall Town									
Q2 2009	5	0	0	0	4	0	0	0	9
Q2 2008	4	0	0	0	0	0	0	0	4
Remainder of the CA									
Q2 2009	10	0	0	0	0	0	0	0	10
Q2 2008	10	0	0	0	0	0	0	0	10
Charlottetown CA									
Q2 2009	39	2	0	0	8	0	0	30	79
Q2 2008	36	4	0	0	0	0	0	0	40
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q2 2009	0	0	0	0	0	2	0	17	19
Q2 2008	1	0	0	0	0	0	0	17	18
Stratford Town									
Q2 2009	0	0	0	0	0	0	0	0	0
Q2 2008	0	0	0	0	0	0	0	0	0
Cornwall Town									
Q2 2009	2	0	0	0	0	0	0	0	2
Q2 2008	0	0	0	0	0	0	0	0	0
Remainder of the CA									
Q2 2009	0	0	0	0	0	0	0	0	0
Q2 2008	0	0	0	0	0	0	0	0	0
Charlottetown CA									
Q2 2009	2	0	0	0	0	2	0	17	21
Q2 2008	1	0	0	0	0	0	0	17	18

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q2 2009	13	2	0	0	0	0	0	0	15
Q2 2008	6	2	0	0	0	0	0	0	8
Stratford Town									
Q2 2009	11	0	0	0	4	0	0	30	45
Q2 2008	16	2	0	0	0	0	0	0	18
Cornwall Town									
Q2 2009	3	0	0	0	4	0	0	0	7
Q2 2008	4	0	0	0	0	0	0	0	4
Remainder of the CA									
Q2 2009	11	0	0	0	0	0	0	0	11
Q2 2008	10	0	0	0	0	0	0	0	10
Charlottetown CA									
Q2 2009	38	2	0	0	8	0	0	30	78
Q2 2008	36	4	0	0	0	0	0	0	40

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 1999 - 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461
% Change	16.9	8.3	n/a	n/a	n/a	n/a	**	**	57.3
2001	237	24	0	0	0	0	16	16	293
% Change	-9.9	**	n/a	n/a	n/a	n/a	-46.7	-11.1	-7.9
2000	263	6	0	0	0	0	30	18	318
% Change	15.9	50.0	n/a	n/a	n/a	n/a	-3.2	-69.0	-0.9
1999	227	4	0	0	0	0	31	58	321

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type Second Quarter 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	% Change
Charlottetown City	23	38	8	16	6	12	50	21	87	87	0.0
Stratford Town	26	29	0	0	8	0	36	0	70	29	141.4
Cornwall Town	10	11	6	4	3	0	0	0	19	15	26.7
Remainder of the CA	14	12	2	0	0	0	0	0	16	12	33.3
Charlottetown CA	73	90	16	20	17	12	86	21	192	143	34.3

Table 2.1: Starts by Submarket and by Dwelling Type January - June 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	30	45	8	16	6	12	53	34	97	107	-9.3
Stratford Town	30	36	0	2	8	0	36	0	74	38	94.7
Cornwall Town	11	14	6	4	3	0	0	0	20	18	11.1
Remainder of the CA	19	19	2	0	0	0	0	0	21	19	10.5
Charlottetown CA	90	114	16	22	17	12	89	34	212	182	16.5

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
Second Quarter 2009

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008	% Change
Charlottetown City	13	6	2	2	0	0	0	0	15	8	87.5
Stratford Town	11	16	0	2	4	0	30	0	45	18	150.0
Cornwall Town	5	4	0	0	4	0	0	0	9	4	125.0
Remainder of the CA	10	10	0	0	0	0	0	0	10	10	0.0
Charlottetown CA	39	36	2	4	8	0	30	0	79	40	97.5

Table 3.1: Completions by Submarket and by Dwelling Type
January - June 2009

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	28	27	2	8	0	0	0	11	30	46	-34.8
Stratford Town	18	39	0	2	4	0	30	0	52	41	26.8
Cornwall Town	12	12	4	2	4	0	0	0	20	14	42.9
Remainder of the CA	29	41	0	0	0	0	0	0	29	41	-29.3
Charlottetown CA	87	119	6	12	8	0	30	11	131	142	-7.7

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Second Quarter 2009

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q2 2009	0	0.0	2	15.4	3	23.1	4	30.8	4	30.8	13	225,000	225,000
Q2 2008	0	0.0	2	33.3	2	33.3	1	16.7	1	16.7	6	--	--
Year-to-date 2009	0	0.0	3	10.3	10	34.5	8	27.6	8	27.6	29	225,000	224,396
Year-to-date 2008	0	0.0	7	25.9	9	33.3	4	14.8	7	25.9	27	185,000	204,444
Stratford Town													
Q2 2009	0	0.0	0	0.0	1	9.1	4	36.4	6	54.5	11	275,000	254,091
Q2 2008	0	0.0	0	0.0	7	43.8	5	31.3	4	25.0	16	205,000	220,000
Year-to-date 2009	0	0.0	0	0.0	2	11.1	6	33.3	10	55.6	18	275,000	298,611
Year-to-date 2008	0	0.0	1	2.6	13	33.3	13	33.3	12	30.8	39	210,000	223,590
Cornwall Town													
Q2 2009	0	0.0	0	0.0	0	0.0	3	100.0	0	0.0	3	--	--
Q2 2008	0	0.0	0	0.0	3	75.0	0	0.0	1	25.0	4	--	--
Year-to-date 2009	0	0.0	0	0.0	3	30.0	6	60.0	1	10.0	10	210,000	209,000
Year-to-date 2008	0	0.0	2	16.7	3	25.0	4	33.3	3	25.0	12	215,000	217,500
Remainder of the CA													
Q2 2009	1	9.1	2	18.2	2	18.2	5	45.5	1	9.1	11	210,000	187,273
Q2 2008	1	10.0	1	10.0	4	40.0	2	20.0	2	20.0	10	192,500	199,500
Year-to-date 2009	1	3.4	8	27.6	8	27.6	8	27.6	4	13.8	29	190,000	191,379
Year-to-date 2008	1	2.4	8	19.5	18	43.9	9	22.0	5	12.2	41	180,000	187,742
Charlottetown CA													
Q2 2009	1	2.6	4	10.5	6	15.8	16	42.1	11	28.9	38	225,000	221,053
Q2 2008	1	2.8	3	8.3	16	44.4	8	22.2	8	22.2	36	195,000	205,000
Year-to-date 2009	1	1.2	11	12.8	23	26.7	28	32.6	23	26.7	86	210,000	227,006
Year-to-date 2008	1	0.8	18	15.1	43	36.1	30	25.2	27	22.7	119	195,000	206,281

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Second Quarter 2009			Second Quarter 2008			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	133	$176,327	269	128	$175,042	345	3.9%	0.7%	-22.0%
District 4	50	$179,453	101	49	$202,135	140	2.0%	-11.2%	-27.9%
District 5	26	$156,994	48	28	$141,488	73	-7.1%	11.0%	-34.2%
District 6	19	$164,637	38	19	$149,516	49	0.0%	10.1%	-22.4%
District 7	38	$191,287	82	32	$178,072	83	18.8%	7.4%	-1.2%
Summerside CA	36	$121,984	107	43	$118,150	144	-16.3%	3.2%	-25.7%
Total	169	$164,751	376	171	$160,736	358	-1.2%	2.5%	5.0%

Submarket	Year-to-date 2008			Year-to-date 2007			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	233	$171,410	436	259	$174,591	561	-10.0%	-1.8%	-22.3%
District 4	83	$171,633	154	112	$188,753	225	-25.9%	-9.1%	-31.6%
District 5	57	$143,936	84	54	$142,526	120	5.6%	1.0%	-30.0%
District 6	33	$149,792	68	33	$133,108	81	0.0%	12.5%	-16.0%
District 7	60	$209,090	130	60	$199,830	135	0.0%	4.6%	-3.7%
Summerside CA	79	$121,255	180	86	$120,341	217	-8.1%	0.8%	-17.1%
Total	312	$158,710	616	345	$161,068	778	-9.6%	-1.5%	-20.8%

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**District 4: Charlottetown City, Spring Park & West Royalty
**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks
**District 6: Cornwall, North River & Winsloe
**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Second Quarter 2009

		Interest Rates			NHPI, Total, Charlottetown CMA 1997=100	CPI, 1992 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2008	January	725	7.35	7.39	120.6	113.8	70.3	10.6	69.1	
	February	718	7.25	7.29	120.6	114.2	70.6	9.9	68.8	614
	March	712	7.15	7.19	119.3	115.3	71.0	10.5	69.7	613
	April	700	6.95	6.99	119.4	116.2	70.5	11.2	69.6	621
	May	679	6.15	6.65	119.4	118.3	70.8	9.6	68.7	629
	June	710	6.95	7.15	119.7	118.8	70.7	10.5	69.1	637
	July	710	6.95	7.15	119.7	119.2	69.7	10.6	68.2	639
	August	691	6.65	6.85	119.2	118.6	70.3	10.4	68.4	638
	September	691	6.65	6.85	119.2	119.6	70.4	11.3	68.9	632
	October	713	6.35	7.20	119.4	118.2	69.7	11.6	68.3	631
	November	713	6.35	7.20	119.4	116.6	69.5	10.8	67.5	635
	December	685	5.60	6.75	119.4	114.5	69.2	11.7	68.1	643
2009	January	627	5.00	5.79	119.6	114.0	68	11.9	67.2	655
	February	627	5.00	5.79	121.0	115.6	68.6	12.3	67.8	664
	March	613	4.50	5.55	120.5	115.5	68.7	11.5	67.2	671
	April	596	3.90	5.25	120.5	116.3	68.6	12.4	67.7	672
	May	596	3.90	5.25	121.0	117.4	68.7	13.1	68.3	669
	June	631	3.75	5.85		118.2	69.3	12.2	68.0	659
	July									
	August									
	September									
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $ 100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada's 2001 Census area definitions.

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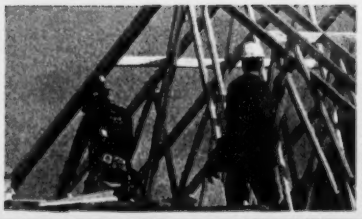

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